

Hiro Metaverse Acquisitions I S.A.

Interim Report

For the period from 1 January 2022 to 30 June 2022

DIRECTORS' REPORT

to the interim meeting of the shareholders of
HIRO METAVERSE ACQUISITIONS I S.A.

According to the prevailing law and the mandate you have granted to us we are pleased to report the interim results for the period of 1 January 2022 until June 30 2022 (the “**Half year results**”).

We herewith submit to your meeting the Groups’ unaudited consolidated financial statements consisting of the Company’s Consolidated statement of comprehensive income, the Consolidated statement of financial position, Consolidated statement of changes in equity; Consolidated statement of cash flows and the Notes to the consolidated financial statements.

STATUS AND ACTIVITIES

The Company is a public limited liability company (*société anonyme*) incorporated and operating under the laws of the Grand Duchy of Luxembourg.

The Company was incorporated for the purpose of acquiring a majority (or otherwise controlling) stake in a company or operating business (the “Target” or “Target Business”) through a merger, capital stock exchange, share purchase, asset acquisition, reorganisation or similar transaction (an “Initial Business Combination”). The Company intends to focus on targets operating in the sectors of video games, esports, interactive streaming, GenZ social networks, connected fitness & wellness and metaverse technologies with principal business operations in the U.K., Europe or Israel, although it may pursue an acquisition opportunity in any industry or sector or region. Prior to the completion of its Initial Business Combination, the Company is not engaging in any operations, other than in connection with the selection, structuring and completion of its Initial Business Combination.

The Company will need to obtain shareholder approval on the proposed Initial Business Combination at a general meeting specifically convened for this purpose (other than in respect of any Restricted Shares, being Public Shares held by the Directors, the Sponsor or any Insiders).

The Company’s main objective is to complete its Initial Business Combination within an initial period of 15 months following admission to trading, subject to an initial three-month extension period (the “First Extension Period”) and a further three-month extension period (the “Second Extension Period”), in each case if approved by shareholder vote (the “Business Combination Deadline”), although such extensions are not of a type required to be approved by Public Shareholders as contemplated by Listing Rule 5.6.18AG.

During the financial year, the Company did not open any branches either in Luxembourg or abroad.

The review and development of the company’s business, financial performance and position are addressed by the board in both the preceding and below paragraphs.

RESULTS AND DIVIDENDS

At the end of the period under review, the Company recorded a loss of GBP 521,662.

The Company has not yet adopted a dividend policy. The Company has not paid any dividends to date and will not pay any dividends prior to the Initial Business Combination.

SHARE CAPITAL

The share capital of the Company on 20 September 2021 was set at GBP 30,000, represented by 3,750,000 Sponsor Shares without nominal value.

On 2 February 2022, the number of Sponsor Shares was reduced from 3,750,000 to 2,875,000.

On 2 February 2022, the share capital of the Company was increased from GBP 30,000 to GBP 152,829.20 represented by 11,810,500 Public Shares (Class A ordinary shares) and 2,875,000 Sponsor Shares (Class B ordinary shares).

The Company's Public Shares were admitted to trading on the Main Market of the London Stock Exchange on 7 February 2022 following a placing of Public Shares at a price of GBP 10 per Public Share. Each Public Share entitled the holder to receive one-half (1/2) of one Public Warrant. Each whole Public Warrant entitles a holder to subscribe for one Public Share for an exercise price of GBP 11.50 per new Public Share. The Public Warrants were issued to holders of Public Shares and admitted to the Main Market of the London Stock Exchange on 24 February 2022.

On 8 February 2022, the share capital of the Company was increased from GBP 152,829.20 to GBP 156,417.20 represented by 11,845,000 Public Shares (Class A ordinary shares) and 2,875,000 Sponsor Shares (Class B ordinary shares).

VOTING RIGHTS

Each Ordinary Share confers the right to cast one vote at the general meeting. Sponsor Shares have the same voting rights attached to them as all other Ordinary Shares.

OWN SHARES

During the financial year the Company did not hold any of its own shares.

RESEARCH AND DEVELOPMENT

During the financial year the Company did not perform any research and development activity.

DIRECTORS

During the Interim Period the Board of Directors (the "Board") consisted of:

Name	Position	Date of appointment	Date of resignation
Mr. Luke Alvarez	Director	28 October 2021	n /a
Ms. Cherry Freeman	Director	28 October 2021	n /a
Sir Ian Livingstone	Director	10 December 2021	n /a
Ms. Emily Greer	Non-executive Director	7 February 2022	n /a
Ms. Addie Pinkster	Non-executive Director	7 February 2022	n /a
Mr. Jurgen Post	Non-executive Director	7 February 2022	n /a

The Board is responsible for leading and controlling the Company and has overall authority for the management and conduct of its business, strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls) and for reviewing the overall effectiveness of systems in place as well as for the approval of any changes to the capital, corporate and/or management structure of the Company.

CORPORATE GOVERNANCE STATEMENT

As a Luxembourg governed company that will be traded on the London Stock Exchange, the Company is not required to adhere to the Luxembourg corporate governance regime applicable to companies that are traded in Luxembourg. As this regime has not been designed for special purpose acquisition companies like the Company but for fully operational companies, the Company has opted to not apply the X Principles of Corporate Governance of the Luxembourg Stock Exchange on a voluntary basis.

In addition, the Company voluntarily complies with the requirements of the U.K. Corporate Governance Code, save as set out below:

- Given the composition of the Board and the size and nature of the Company, the Board considers certain provisions of the U.K. Corporate Governance Code (in particular the provisions relating to the division of responsibilities between the chairman, chief executive and senior independent director, annual performance evaluation and executive compensation) to be inapplicable to the Company.
- The Company will not have nomination or remuneration committees prior to completion of its Initial Business Combination. The Board does not consider the nomination or remuneration committees to be necessary given the size and nature of the Company. Consequently, the Board will not appoint a remuneration consultant.
- The U.K. Corporate Governance Code recommends the submission of all directors for reelection at annual intervals. No Director will be required to submit for re-election until the first annual general meeting of the Company following the Initial Business Combination.
- The Board has adopted a share dealing code which is consistent with the rules of the U.K. Market Abuse Regulation. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with such share dealing code by the Directors.

The audit committee (the “Audit Committee”) performs its duties in compliance with applicable laws. The Audit Committee is composed of independent directors of the Company and is responsible for all matters relating to financial controls and reporting, internal and external audits, the scope and results of audits and the independence and objectivity of auditors. It monitors and reviews the Group’s audit function and, with the involvement of its auditor, focuses on compliance with applicable legal and regulatory requirements and accounting standards. The Audit Committee consists of Emily Greer, Addie Pinkster and Jurgen Post (chair).

FINANCIAL INSTRUMENTS

The Company’s financial assets include equity instruments, cash and cash equivalents and trade and other receivables. Trade and other receivables are classified in accordance with IAS 39 and further details can be obtained from the Notes to the financial statements.

Equity instruments are classified as investments in subsidiaries. Disclosures of acquisitions and disposal of shares in affiliated undertakings are contained in the investments in subsidiaries.

PRINCIPAL RISKS AND UNCERTAINTIES

The following is a summary of key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Company’s business, financial condition, results of operations and prospects. In making the selection, the Company has considered circumstances such as the probability of the risk materialising, the potential impact, which the materialisation of the risk could have on the Company’s business, financial condition and prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they were to materialise:

- The Company is a newly formed entity with no operating history and the Company has not generated and currently does not generate any revenues and, as such, prospective investors have no basis on which to evaluate the Company's performance and ability to achieve its business objective.
- The Company has not yet identified any specific potential Target Business with which to complete its Initial Business Combination and, as such, prospective investors have no basis on which to evaluate the possible merits or risks of a Target Business's operations or specific industry.
- There is no assurance that the Company will identify suitable Initial Business Combination opportunities by the Business Combination Deadline, which could result in a loss of part of the investment of shareholders.
- The Company may face significant competition for Initial Business Combination opportunities.
- The requirement that the Company complete its Initial Business Combination by the Business Combination Deadline may give potential Target Businesses leverage over the Company in negotiating the Initial Business Combination and may limit the time the Company has in which to conduct due diligence on potential Target Businesses, which could undermine its ability to complete its Initial Business Combination on terms that would produce value for shareholders.
- Public Shareholders' ability to exercise redemption rights with respect to a large number of the Public Shares may not allow the Company to complete the most desirable Initial Business Combination or optimise its capital structure.
- The nominal price paid by the Sponsor for the Sponsor Shares and the conversion of the Sponsor Shares into Public Shares may incentivise the Sponsor and the Directors to complete an Initial Business Combination in order to realise a significant profit regardless of whether the trading price of Public Shares declines materially.
- The Sponsor, the Directors and their respective affiliates may have competitive interests that conflict with the Company's interests.
- Until consummation of an Initial Business Combination, the Sponsor will hold a substantial interest in the Company and control the appointment of the Board. As a result, it may exert a substantial influence on the Company, potentially in a manner that investors do not support.
- Past performance by the Company's management team, the Sponsor and their affiliates and their respective directors and management teams, including investments and transactions in which they have participated and businesses with which they have been associated, may not be indicative of future performance of an investment in the Company.
- The Sponsor has paid approximately £0.01 per Sponsor Share and, accordingly, investors will experience substantial dilution upon conversion of the Sponsor Shares into Public Shares.
- The Company may issue additional Public Shares to complete its Initial Business Combination, including via a private investment in public equity, or PIPE transaction, or under an employee incentive plan after completion of its Initial Business Combination. Any such issuances would dilute the interest of the Public Shareholders and likely present other risks.
- The outstanding Public Warrants, Sponsor Warrants and Overfunding Warrants will become exercisable in the future, which may increase the number of Public Shares and result in further dilution for the Public Shareholders, and investors may also experience a dilution of their percentage ownership of the Company if they do not exercise their Public Warrants or if other investors exercise their Public Warrants.
- If the Company is liquidated before the Business Combination Deadline and distributes the amounts held in the Escrow Account as liquidation proceeds, Public Shareholders could receive less than £10.30 per Public

Share (assuming there are no Additional Overfunding Subscriptions) or nothing at all. In addition, it is difficult to predict when the amounts held in the Escrow Account (if any) will be returned to the Public Shareholders.

- There is a risk that the market for the Public Shares or the Public Warrants will not be active and liquid, which may adversely affect the liquidity and price of the Public Shares and the Public Warrants.

STATEMENT OF GOING CONCERN

The Directors, having considered the financial position of the Company for a period of least 12 months from the date of approval of the financial statements, have a reasonable expectation and belief that the Company has adequate resources to continue in operational existence for the foreseeable future given the available cash and forecast cash outflows.

MANAGEMENT REPORT

For the purposes of compliance with DTR 4.1.5R (2), DTR 4.1.8R and DTR 4.1.11R the required content of the Management Report can be found in this Report of Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board is responsible for preparing the Report and the financial statements in accordance with applicable law and regulations. Company law requires the Board to prepare financial statements for each financial year. Under that law, the Board has prepared the Company's separate financial statements and the Group's consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Under company law, the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and best estimate;
- present the financial statements and policies in a manner that provides relevant, reliable, comparable and understandable information;
- state whether they have been prepared in accordance with applicable IFRSs as adopted by the EU;
- assess the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable it to prepare the financial statements, and ensure that the financial statements comply with company law. It is responsible for such internal control as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of corporate and financial information included on the Company's website. The financial statements are published on the Company's website.

Legislation in Luxembourg governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board, to the best of its knowledge, confirms that:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company included in the consolidation as a whole; and
- the Management Report includes a fair review of the development of the business and the position of the Company in the consolidation taken as a whole, together with a description of the principal risks and uncertainties.

The Board considers the Interim Report and the Group's consolidated financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

INTERNAL CONTROL

The Board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The Board maintains sound risk management and internal control systems. The Board has reviewed the Company's risk management and control systems and believes that the controls are satisfactory given the nature and size of the Company. Controls will be reviewed following completion of the Initial Business Combination.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Board is aware, there is no relevant audit information of which the Auditor is unaware. The Directors have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Finally, we request you to adopt the Interim Report for the period January 1 – June 30 2022.

Luke Alvarez - Director
 Cherry Freeman - Director
 Emily Greer - Independent Non-Executive Director
 Ian Livingston - Director
 Addie Pinkster - Independent Non-Executive Director
 Jurgen Post - Independent Non-Executive Director

HIRO METAVERSE ACQUISITIONS I S.A
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD
FROM 1 JANUARY 2022 TO 30 JUNE 2022

Consolidated statement of comprehensive income for the six months ended 30 June 2022

	Notes	1 Jan 2022 to 30 June 2022 <i>(unaudited)</i> GBP	20 Sept 2021 to 31 Dec 2021 <i>(audited)</i> GBP
Other operating expenses	5	(530,755)	(152,560)

Taxes, duties and similar expenses		(450)	-
Operating loss		(531,205)	(152,560)
Finance income		323,639	-
Finance costs		(311,531)	-
Foreign currency exchange gains/(losses)		(2,566)	272
Loss before income tax		(521,662)	(152,288)
Income tax	6	-	-
Loss for the period		(521,662)	(152,288)
Other comprehensive income		-	-
Total comprehensive loss for the period, net of tax		(521,662)	(152,288)
Earnings/(loss) per share attributable to equity holders			
Net earnings per share - basic and	7	(0.04)	(0.04)

Consolidated statement of financial position as at 30 June 2022

ASSETS	Notes	30 June 2022 (unaudited) GBP	31 Dec 2021 (audited) GBP
Current assets			
Deferred costs	8	691,337	731,407
Trade and other receivables		1,297	-
Cash and cash equivalents	9	120,778,993	30,000
Current assets		121,471,627	761,407
Total Assets		121,471,627	761,407
Equity and liabilities			
Equity			
Share capital	10	156,417	30,000
Share premium	10	813,066	-
Accumulated deficit		(673,950)	(152,288)
		295,533	(122,288)
Liabilities			
Current liabilities			
Related party payable		11,015	-
Trade and other payables	11	553,548	883,695
Financial liabilities	12	119,073,063	-
Sponsor Warrants	14	1,538,469	-
Total current liabilities		121,176,095	883,695
Total liabilities		121,176,095	883,695
Total equity and liabilities		121,471,627	761,407

Consolidated statement of changes in equity for the six months ended 30 June 2022

	Notes	Share capital with nominal GBP	Share capital without nominal amount	Share premium GBP	Accumulated deficit GBP	Total equity GBP
Balance at 1 January 2022		30,000	-	-	(152,288)	(122,288)
Transfers		(30,000)	30,000	-	-	-
Issuance of capital	10	35,880	-	3,414,120	-	3,450,000
Transfers		90,537	-	(90,537)	-	-
Expenses related to capital increase		-	-	(2,510,517)	-	(2,510,517)
Loss for the period		-	-	-	(521,662)	(521,662)
Other comprehensive income		-	-	-	-	-
Balance at 30 June 2022 (unaudited)		126,417	30,000	813,066	(673,950)	295,533
Balance at 20 September 2021						
Issuance of incorporation capital	10	30,000	-	-	-	30,000
Loss for the period		-	-	-	(152,288)	(152,288)
Other comprehensive income		-	-	-	-	-
Balance at 31 December 2021 (audited)		30,000	-	-	(152,288)	(122,288)

Consolidated statement of cash flows for the six months ended 30 June 2022

	1 Jan 2022 to 30 June 2022 (unaudited) GBP	20 Sept 2021 to 31 Dec 2021 (audited) GBP
Cash flow from operating activities		
Loss before income tax	(521,662)	(152,288)
<i>Adjustments for:</i>		
Finance income	(323,639)	-
Finance expense	311,531	-
Foreign currency exchange gains/(losses)	2,566	
Net cash from operating activities before income tax	(531,205)	(152,288)
<i>Changes in working capital:</i>		
Decrease/(Increase) in deferred costs	40,070	(731,407)
(Increase) in trade and other receivables	(1,297)	-
Increase in trade and other payables	(319,132)	883,695
Net cash flows from operating activities	(811,564)	-
 Cash flow from financing activities		
Proceeds from issue of share capital	35,880	30,000
Proceeds from issue of share premium	3,414,120	-
Payment of cost in relation to capitalisation	(2,510,517)	-
Proceeds from issue of redeemable shares	115,000,000	-
Proceeds from issue of sponsor warrants	5,300,000	-
Interest received	323,639	-
Foreign currency exchange gains/(losses)	(2,566)	-
Net cash flows from financing activities	121,560,557	30,000
 Net change in cash and cash equivalents	120,748,993	30,000
Cash and cash equivalents, beginning	30,000	-
Cash and cash equivalents at end of the period	120,778,993	30,000

Notes to the interim condensed consolidated financial statements for the six months ended 30 June 2022

1. General information

Hiro Metaverse Acquisitions I S.A. (the "**Company**") was incorporated on 20 September 2021 (**date of incorporation**) as a public limited liability Company incorporated in Luxembourg (Société Anonyme or "**S.A.**") under the laws of the Grand Duchy of Luxembourg for an unlimited period. The registered office of the Company is located at 17, Boulevard Raiffeisen, L-2411, Luxembourg, Grand Duchy of Luxembourg. The Company is registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés, in abbreviated "**RSC**") under the number B259488 since 20 September 2021.

On the 8th of December 2021 the Company incorporated HMA1 (ESCROW) Limited (the "**Subsidiary**"), under the Companies Act 2006, in the United Kingdom, being a private Company, limited by shares, with its registered office at 52 Lime Street, London, England.

The interim condensed consolidated financial statements for the period ended 30 June 2022 covers the Company and its subsidiary (collectively "**the Group**").

The Company is managed by its Board of Directors composed of Luke Alvarez, Cherry Freeman, Ian Livingstone as Executive Directors and Jurgen Post, Emily Greer, and Addie Pinkster as Non-Executive Directors (the "Board of Directors").

The sole shareholder of the Company is Hiro Sponsor I LLP (the “Sponsor”); a limited liability partnership, incorporated and existing under the laws of England, having its registered office located at 18th Floor, the Scalpel, 52 Lime Street, London, EC3M 7AF, United Kingdom, and registered with the United Kingdom’s Companies House under number OC439442.

On 2 February 2022 the Company’s Prospectus was approved and published on the London Stock Exchange. On 7 February 2022, the Company underwent an initial offering (the “Placing”). 11,500,000 of the Company’s Public Shares were admitted to the standard listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities under ticker “HMA1”, raising capital in the amount of GBP 115,000,000. The main characteristics of this offering are described in the prospectus.

The Company intends to seek a suitable target for the Business Combination with a focus on targets operating in the sectors of Video Games, Esports, Interactive Streaming, GenY Social Networks, Connected Fitness & Wellness and Metaverse Technologies. The Company has 15 months from the date of the admission to trading to consummate a Business Combination, plus an initial three-month extension period (the “**First Extension Period**”) and a further three-month extension period (the “**Second Extension Period**”) subject in each case to approval by the Company’s shareholders. Otherwise, the Company will be liquidated and distribute all of its assets to its shareholders, the Public shares will be redeemed first and then the Company will be liquidated and all remaining assets will be distributed to remaining shareholders (Class B shareholders).

On 17 May 2022, the Company engaged Liberum Capital Limited. They will assist the Company with identifying new possible targets, its analysis of each Target's business plan and valuation, commercial negotiations and on how to position its equity story to investors.

2. Basis of preparation and accounting policies

2.1 Basis of preparation

These unaudited interim condensed consolidated financial statements are for the six months ended 30 June 2022 and includes comparative information for the period ended 31 December 2021. They have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the consolidated financial statements for the period ended 31 December 2021.

The Group's consolidated financial statements for the period ended 31 December 2021 have been delivered to the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés, in abbreviated “RSC”). The Group's Independent Auditor's report on those accounts were unqualified.

The consolidated financial statements comprise a consolidated statement of financial position, a consolidated statement of comprehensive income, a consolidated statement of changes in equity, a consolidated statement of cash flows and the accompanying notes for the interim period ended 30 June 2022.

During the Placing, the Company raised GBP 115,000,000. After making more enquiries and bearing in mind the nature of the Group's business and assets, the Board of Directors consider that the Company has adequate cash resources to continue in operational existence for the next 12 months from the date of approval of these interim condensed consolidated financial statements. Thus, these interim condensed consolidated financial statements have been prepared under the assumption that the Group operates on a going concern basis.

These interim condensed consolidated financial statements have been prepared in Pound Sterling (GBP), which is the functional currency of the parent company, unless stated otherwise.

The interim condensed consolidated financial statements were approved for issue by the Board of Directors on 19 September 2022

The principal accounting policies applied in the preparation of these interim condensed consolidated financial statements are set out below.

2.2 Summary of significant accounting policies

2.2.1 New or revised Standards or Interpretations

International accounting standards include IFRS, IAS (International Accounting Standards) and their interpretations (Standing Interpretations Committee) and IFRICs (International Financial Reporting Interpretations Committee).

The repository adopted by the European Commission is available on the following internet site: http://ec.europa.eu/finance/accounting/ias/index_en.htm

a) New standards, amendments and interpretations that were issued but not yet applicable as at 31 December 2021 and that are most relevant to the Company – not yet endorsed by the EU:

There are no new accounting pronouncements which have become effective from 1 January 2022 that have a significant impact on the Group's interim condensed consolidated financial statements.

The interim condensed consolidated financial statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual financial statements for the period ended 31 December 2021.

3. Significant accounting judgements, estimates and assumptions

The preparation of these consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Given the ongoing and dynamic nature of the COVID 19 crisis, it is difficult to predict the impact on the business of potential targets. The extent of such impact will depend on future developments, which are highly uncertain and cannot be predicted, including new information, which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others. The ongoing COVID 19 pandemic, the increased market volatility and the potential unavailability of third party financing caused by the COVID 19 pandemic as well as restrictions on travel and in person meetings, which may hinder the due diligence process and negotiations, may also delay and/or adversely affect the Business Combination or make it more costly.

On 24 February 2022, Russian troops invaded Ukraine. The war is ongoing and has already caused extreme loss of life, damage to infrastructure, dislocation of the Ukraine population to other countries as well as disruption to economic activity worldwide. The continued war in Ukraine may increase inflationary pressure and weaken the already weakened post-pandemic economy.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

As at 30 June 2022, other than the effects of the COVID-19 pandemic and the war in Ukraine, which have been considered by the directors, there were no other significant areas of estimation, uncertainty and critical judgements, which were applied.

4. Financial risk management, objectives and policies

The Group is newly formed and has not conducted any operations and currently generates no revenue. The Group does not have material foreign currency transactions. Hence, currently the Group does not face foreign currency risks nor any interest rate risks as the financial instruments of the Group bear a fixed interest rate.

Liquidity risks

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Placing was completed on 7 February 2022. 100% of the gross proceeds of this Placing were deposited in a secured deposit account. The amount held in this secured deposit account will only be released in connection with the completion of the Business Combination or the Company's liquidation. The Board of Directors believes that the funds available to the Group outside of the secured deposit account, together with the available shareholder loan will be sufficient to pay costs and expenses, which are incurred by the Group prior to the completion of the Business Combination.

The objective of the Sponsor Warrants issued to the Sponsor at the time of the Placing, is to use the proceeds to pay the various costs and expenses incurred and contracted for as disclosed in the interim condensed consolidated financial statements for the six months ended 30 June 2022, except the underwriting commission. The proceeds of the Placing of Public Shares will not be used to pay these expenses.

The Sponsor has committed additional funds to the Company through the Overfunding Subscription, the proceeds of which is held in an escrow account. The purpose of the overfunding subscription is to provide additional cash funding into the Escrow Account, in addition to the funding from the proceeds of the Units sold in the Placing, for the redemption of the Public Shares by Public Shareholders (“Initial Overfunding Shares”).

The Initial Overfunding Shares and Initial Overfunding Warrants were not part of the Placing but were part of the applications for Shares Admissions and Warrants Admission, which happened on 24 February 2022.

To the extent that the Business Combination Deadline is extended, the Sponsor will commit further additional funds to the Company through the subscription of additional units as referred to in Part VIII. 4 of the Prospectus.

Capital management

The Group no longer faces a capital management risk as the Company raised funds through public shares and public warrants, which were issued in the Placing and the application for Shares Admissions and Warrants Admission and were admitted to listing and trading on the regulated market segment of the London Stock Exchange on 2 February 2022 and 24 February 2022. The Group has a strong capital base.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is currently exposed to credit risk from its deposit with banks.

5. Other operating expenses

The other operating expenses of GBP 530,755 consist of fees for accounting, legal, and other services not related to the Placing.

	1 Jan 2022	20 Sept 2021
	to	to
	30 June 2022	31 Dec 2021
	<i>(unaudited)</i>	<i>(audited)</i>
	<i>GBP</i>	<i>GBP</i>
Accounting, tax consulting, auditing and similar fees	98,880	151,407
Bank charges and commissions	2,500	-
Director's fees	12,348	-
Legal, litigation and similar fees	18,954	-
Notarial and similar fees	9,532	1,153
Other professional fees	31,041	-
Third-party insurance	357,500	-
Other operating expenses	<u>530,755</u>	<u>-</u>

6. Income Tax

	1 Jan 2022	20 Sept 2021
	to	to
	30 June 2022	31 Dec 2021
	<i>(unaudited)</i>	<i>(audited)</i>
	<i>GBP</i>	<i>GBP</i>
Loss for the period before tax	(521,662)	(152,288)
Theoretical tax charges, applying the tax rate of 22.8%	118,939	34,722
Losses for which no deferred tax asset has been recognised	118,939	34,722
Tax effect of adjustments from Luxembourg GAAP to IFRS		-
Income tax	<u><u>(283,784)</u></u>	<u><u>-</u></u>

7. Earnings /(loss) per share

Basic earnings/(loss) per share (“**EPS**”) is calculated by dividing the profit/(loss) for the period attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The Sponsor and Public Warrants will only become exercisable 30 days after the consummation of the Initial Business Combination. The Sponsor Warrants will expire five years from the date of consummation of the Initial Business Combination, or earlier upon redemption or liquidation.

Currently, no diluting instruments are exercisable. Therefore, basic EPS equals diluted EPS as at 30 June 2022.

8. Deferred costs

Deferred costs of GBP 691,337 as at 30 June 2022 are composed of legal costs incurred by the Company in relation to the public offering which will be offset against the proceeds from the Placing once the invoice is received for the fees.

9. Cash and cash equivalents

The amount of cash and cash equivalents was GBP 120,778,993 as at 30 June 2022.

10. Issued capital and reserves

Share capital and share premium

As at 31 December 2021, the subscribed share capital amounts to GBP 30,000 consisting of 3,750,000 shares without nominal value held by the Sponsor, hereinafter referred to as the “Sponsor Shares”. The Company’s share capital may be increased or reduced by a resolution of the general meeting of shareholders adopted in the manner required for an amendment for the articles of association.

On 26 January 2022, the issued capital shares was reduced from 3,750,000 to 2,875,000 through a forfeiture of 875,000 Sponsor Shares at a nil cost.

On 2 February 2022 the Company’s Prospectus was approved and published on the London Stock Exchange.

In terms of the Sponsor Private Placement Agreement; on 2 February 2022, the Sponsor subscribed to 310,500 Overfunding shares at GBP10 per share, and 5,070,000 Class B Sponsor Warrants at GBP1 per warrant, raising capital in the amount of GBP 8,175,000.

On 7 February 2022, 11,500,000 of the Company's Public Shares were admitted to the standard listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities under ticker "HMA1".

On 7 February 2022, Citigroup Global Markets Limited, acting as stabilising manager, gave notice on of its non-exercise of the put option granted by the Company.

As a result of the shares subscribed for the London Stock Exchange; on 8 February 2022, the Company issued 11,500,000 Public Shares; cum rights in respect of one-half (1/2) of a Public Warrant; without nominal value at a price of GBP 10 per Public Share raising gross proceeds of GBP 115 million. This increased the total number of Public Shares without nominal value in the Company in issue to 11,810,500. The Company will provide its Public Shareholders with the opportunity to redeem all or a portion of their Public Shares, exercisable prior to the completion of the Initial Business Combination irrespective of whether and how they vote at the General Meeting convened to approve the Initial Business Combination. Because it is not certain that the Class A Shares will be redeemed or become redeemable prior to business acquisition, these shares are classified as liabilities.

On 8 February 2022 the Sponsor subscribed for a further 34,500 Shares cum Rights at a price of GBP 10.00 per share, (the "Overfunding Shares Subscription"). The non-exercise of the Put Option and the Overfunding Shares Subscription brings the total number of Shares cum Rights in issue at 11,845,000.

It is planned that the Sponsor Shares shall convert into Public Shares subject to a certain schedule and trading price following the consummation of the Business Combination. The Sponsor Shares will convert into a number of Public Shares such that the number of Public Shares issuable to the Sponsor upon conversion of all Sponsor Shares will be equal, in the aggregate, on an as converted basis, to 20% of the total ordinary shares in issue following the Placing.

As at 30 June 2022, the issued share capital of the Company is set at GBP 156,417.20 represented by eleven million eight hundred and forty-five thousand (11,845,000) Public Shares without nominal value and two million eight-hundred seventy-five thousand (2,875,000) Sponsor Shares without nominal value. The total number of voting rights in the Company is 14,720,000.

11. Trade and other payables

	1 Jan 2022 to 30 June 2022 <i>(unaudited)</i> <i>GBP</i>	20 Sept 2021 to 31 Dec 2021 <i>(audited)</i> <i>GBP</i>
Accounting, tax consulting, auditing and similar fees	14,459	151,135
Deferred costs	530,863	731,407
Notarial and similar fees	5,756	1,153
Withholding tax payable	2,470	-
	<u>553,548</u>	<u>883,695</u>

Trade and other payables are related to legal and other services received by the Group. The carrying amounts of these approximate their fair

12. Financial liabilities

1 Jan 2022 to 30 June 2022	20 Sept 2021 to 31 Dec 2021
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	<i>(unaudited)</i>	<i>(audited)</i>
	<i>GBP</i>	<i>GBP</i>
Class A Public shares cum rights- refer to note 10	119,073,063	-

The redemption price is expected to be £10.30 per Public Share plus any interest earned on funds held in the Escrow Account.

	<i>Price</i>	<i>Number of shares</i>	<i>GBP</i>	<i>GBP</i>
11,500,000 Public Shares; at expected	10.3	11,500,000	118,450,000	-
11,500,000 Public Shares; issued	10	11,500,000	115,000,000	-
Interest earned in Escrow account			311,531	-
Value adjustment			3,761,531	-
			<u>119,073,063</u>	

13. Public Warrants

On 24 February 2022, the Company admitted 5,922,500 Public Warrants to the standard listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities under ticker "HM1W".

The Public Warrants will be exercisable during the "Exercise Period", which shall be the period beginning 30 days after the date on which the Initial Business Combination is completed and ending at the close of trading on the main market for listed securities of the London Stock Exchange on the first Business Day after the fifth anniversary of the Business Combination Completion Date provided that the Exercise Period shall end earlier (i) upon redemption of the Public Warrants in accordance with their terms, (ii) if the Company fails to complete an Initial Business Combination by the Business Combination Deadline, (iii) or upon any liquidation of the Company.

During the Exercise Period, the Company may, at its sole discretion, elect to redeem the Public Warrants in whole but not in part, upon a minimum of 30 calendar days' prior written notice of redemption at (i) a redemption price of £0.01 per Public Warrant if the closing price of its Public Shares following the consummation of the Initial Business Combination equals or exceeds £18.00 for any 20 out of 30 consecutive trading days ending three Business Days before the Company sends the notice of redemption; or (ii) a redemption price of £0.10 per Public Warrant if the closing price of its Public Shares for any 20 out of 30 consecutive trading days following the consummation of the Initial Business Combination, ending three Business Days before the Company sends the notice of redemption equals or exceeds £10.00 but is below £18.00, subject to adjustments to the number of Public Shares issuable upon exercise or the exercise price of a Public Warrant as described in the Company's Prospectus.

Public Warrant holders may exercise their Public Warrants after such redemption notice is given until the scheduled redemption date.

At the date of these interim accounts, the Company has not entered into the "Exercise Period"; and therefore no financial asset or liability is recognised in respect of Public Warrants.

14. Sponsor Warrants

			1 Jan 2022 to 30 June 2022 (unaudited)	20 Sept 2021 to 31 Dec 2021 (audited)
			<i>GBP</i>	<i>GBP</i>
Sponsor Warrants			<u>1,538,469</u>	<u>-</u>
<i>Movement schedule</i>	<i>Price</i>	<i>Number of warrants</i>	<i>GBP</i>	<i>GBP</i>
Class B warrants - issued 2 February 20220	1	5,070,000	5,070,000	-
Class B warrants - issued 7 February 20220	1	230,000	230,000	-
Value adjustment			(3,761,53)	-
			<u>1,538,469</u>	<u>-</u>

On 2 February 2022, the Sponsor agreed and subscribed for an aggregate of 5,070,000 Class B warrants (the “Sponsor Warrants”) at a price of GBP 1.00 per Sponsor Warrant (GBP 5,070,000 in the aggregate), each Sponsor Warrant entitling the holder to purchase one Public Share at an exercise price of GBP 11.50 per Public Share. The Sponsor Warrants will not be admitted to listing or trading on any regulated market or trading platform. As at 7 February 2022, the Put Option was not exercised, and as a consequence the Sponsor subscribed for 230,000 additional Sponsor Warrants at a price of GBP 1.00 per Sponsor Warrant (GBP 230,000 in the aggregate) to cover the increased underwriting fees payable by the Company.

At the date of these interim accounts, the Company has not entered into the "Exercise Period"; and therefore no financial asset or liability is recognised in respect of Sponsor Warrants.

15.Related party disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Terms and conditions of transactions with related parties

On 19 January 2022, the Company entered into a loan agreement with the Sponsor for the purpose of settling its creditors and other costs, which become due in the ordinary course of business, should the Placing for any reason not be successful. At reporting date, no amount was drawn. The Placing took place on 2 February 2022. The loan shall be available to the Company up until consummation of the Business Combination or the liquidation of the Company.

On 2 February, the Sponsor subscribed to 5,070,000 Class B Warrants at a price of GBP 1 per Sponsor Warrants. On 7 February 2022, the Sponsor subscribed to 230,000 additional Sponsor Warrants at a price of GBP 1 per Sponsor Warrant. Please refer note 12 for more information.

On 11 February 2022, the Company subscribed for 11,845,000 ordinary shares in HMA1 at nominal value of GBP 1 per share. HMA1 issued the shares and the consideration was fully paid up by the Company on 15 February 2022.

Transactions with key management personnel

There are no advances or loans granted to members of the Board of Directors as at 30 June 2022.

The Company entered into contracts with the non-executive directors, which is effective as from the date of the Placing. The agreed directors’ fees are GBP 10,000 per annum; to be paid semi annually in arrears in equal instalments after deduction of any taxes and other amounts that are required by law. Director's fees to the value of GBP 12,348.02 were paid as at 30 June

2022. In addition to the directors' fee, on 11 February 2022, the Sponsor transferred 85,000 Sponsor Shares to the non-executive directors.

16. Events after the reporting period

No events occurred after the reporting period, which requires amendment to, or disclosure in the interim condensed consolidated financial statements, except from those disclosed here below:

Management considered the effects of the continued invasion of Ukraine by Russia and it has no impact on the Group and consequently does not affect the measurement of Group's assets and liabilities as at 30 June 2022.

The Company appointed Liberum Capital Limited as Financial advisor and the firm commenced contractual activities as from July 2022.